

New Research from Videology & Advertiser Perceptions Shows That Optimism for TV Advertising Is Still High – And Optimism for Advanced TV is Highest

Nearly 1/3 of Advertisers plan to increase their Connected TV and Addressable TV budgets in 2018

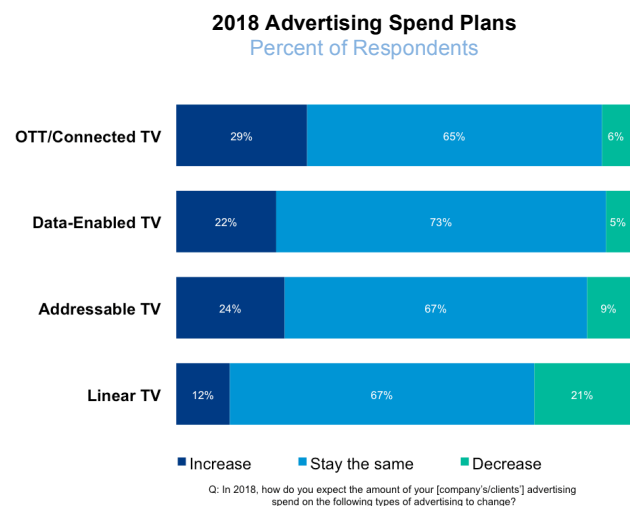
Videology recently commissioned a survey through Advertiser Perceptions on the state of TV advertising.

The survey, based on over 300 interviews with advertisers and agency professionals, showed optimism about the future of TV Advertising, including both traditional linear TV and the emerging platforms that use advanced TV data to reach strategic audiences.

According to the results, respondents are continuing to embrace traditional Linear TV: 67% plan to maintain spending budgets from 2017, and 12% plan to increase spend on Linear TV in 2018.

The greatest TV growth was seen around Advanced TV options. According to the results, 29% of respondents plan to increase their advertising spend of Connected TV in 2018, while 65% said they earmark funds to maintain their current spend—suggesting satisfaction with performance to date. Only 6% planned to decrease their Connected TV spend in the year ahead.

Following a similar growth trend, 24% of respondents said they planned to increase their Addressable TV spend, while 67% planned to keep their spending on par with 2017. Additionally, 22% plan to increase their Data-Enabled TV spend, and 73% plan to maintain their 2017 spend levels. It should be noted that DETV uses the same inventory source as traditional Linear TV, but a different planning strategy.

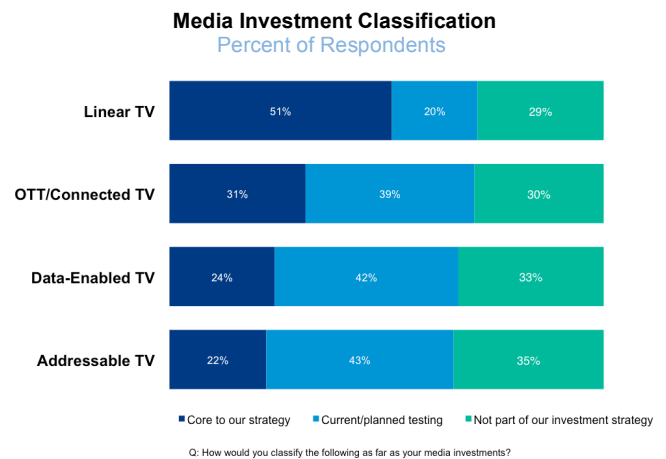


In the case of both Connected TV and Addressable TV, respondents from agencies were more bullish on growth than their advertiser-direct counterparts: 38% of agency respondents said they plan to increase their Connected TV spending, and 32% plan to increase their Addressable TV spending. These findings suggest that agencies may be more informed about the latest opportunities available through Advanced TV, and/or are more willing to test new technologies with the potential of driving improved performance.

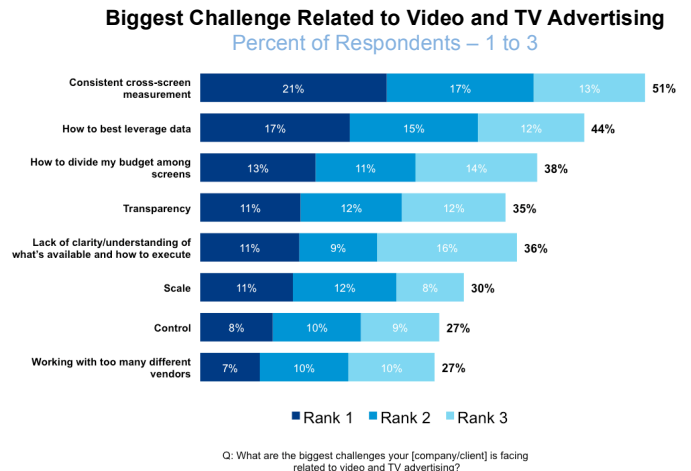
“Despite predictions about cord-cutters making linear TV advertising less relevant, we are seeing the opposite. Advertisers are not eliminating screens, but rather trying to find the best mix of screens and data strategies that allow them to leverage the best of each,” said Scott Ferber, founder and CEO, Videology. “TV is still the ultimate channel for reach and awareness, and when TV advertising is brought to the next level with data and targeting, it’s unstoppable.”

Today, over half (51%) of advertisers and agencies say that traditional Linear TV is still “core” to their 2018 strategies. Many also consider advanced forms of TV advertising – specifically Connected TV and Addressable TV – integral to their 2018 strategies:

- 31% say Connected TV is “core to their strategy.”
- 22% say Addressable TV is “core to their strategy.”
- Another 39% and 43%, respectively, say that Connected TV and Addressable TV, though not considered “core” strategies, are currently being used.



The study also explored some difficulties facing TV advertisers and agencies today. When asked about the biggest challenges for their company or client in regard to TV and Video advertising, 51% of respondents cited consistent cross-screen measurement, while 44% said they were challenged with how to best leverage data. Revealing the need for greater education, over 1/3 said their biggest challenge was “Lack of clarity/understanding of what’s available and how to execute.”



As Advanced TV opportunities bring the power of digital advertising to TV, measurement is expected to follow suit. According to the study, over half (55%) of respondents predict that within the next three years, TV will be measured by the same performance metrics as digital.

“The promise of digital, and the promise of data, has always been better measurement to drive better results,” added Ferber. “One of the most beneficial aspects of advanced data strategies is the ability to tie ad exposure to business outcomes. Bringing these capabilities to TV in a scalable way takes an already great medium, and makes it that much better.”

The study was conducted by Advertiser Perceptions in December 2017, and was based on interviews with over 300 Advertising and Agency decision-makers from among the top 200 Advertisers in the U.S.

About Videology:

Videology (videologygroup.com) is a leading software provider for converged TV and video advertising. By simplifying big data, we empower marketers and media companies to make smarter advertising decisions to fully harness the value of their audience across screens. Our math and science-based technology enables our customers to manage, measure and optimize digital video and TV advertising to achieve the best results in the converging media landscape.

About Advertiser Perceptions:

Advertiser Perceptions is the global leader in data-driven business intelligence for the advertising industry. Our exclusive insights, practical advice and expert guidance produce solutions that deliver results and enable our clients to thrive in today's complex and competitive advertising market.